

[Burlington Free Press staff report](#)

Rep. Peter Welch is joining the state's U.S. senators in a call to alter Social Security payments, saying seniors face the first reduction in payments since 1975.

Welch, D-Vt., on Monday outlined legislation that would alter the Social Security cost-of-living formula so that it more accurately tracks rising costs faced by seniors. At a news conference at Burlington's Heineberg Senior Center, Welch said it is likely that for the first time since 1975, seniors will not receive an increase in Social Security benefits in 2010. Because Medicare prescription drug premiums are deducted from Social Security payments and those will continue to rise, many Vermont seniors may see a drop in their benefits, he said.

Thursday, Sen. Bernie Sanders, I-Vt., and Rep. Peter DeFazio, D-Ore., introduced legislation to provide Social Security recipients an extra one-time payment next year of \$250. Sen. Patrick Leahy, D-Vt., co-sponsored Sanders' bill.

To pay for the extra payment, the Sanders' legislation would apply the Social Security payroll tax on household incomes above \$250,000 and below \$359,000 in 2010. Under current law, only the first \$106,800 of earned income is subject to the payroll tax, Sanders said.

Welch said Social Security cost-of-living adjustments are determined by an index based on the spending patterns of younger Americans. The bill he is co-sponsoring calls on the Bureau of Labor and Statistics to calculate the adjustment using an index reflecting the spending patterns of seniors, who typically spend more on health care.

"Many Vermont seniors are already struggling to make it through these difficult economic times. To sit idly by as their benefits are reduced would be unconscionable," Welch said.

Nearly 130,000 Vermonters receive Social Security benefits. For 41 percent of Social Security recipients, this represents at least 90 percent of their income, Welch said.